

TRANSPARENCY INTERNATIONAL SIERRA LEONE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014



2015

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GENERAL INFORMATION

ADDRESS

18 Dundas Street
Freetown, Sierra Leone

**PRINCIPAL ACTIVITIES
DIRECTORS**

Non –Governmental Organization
Emile Carr (Mr.)

Chairman

Victor E. A. Kabia (Dr.)

Member

Imam Abubakarr Kamara (Sheik

Member

Christian R.B. Kweku Hagan (Rev.)

Member

Cassandra Garber (Mrs

Member

Donald A. Bash- Taqi (Dr.)

Member

Lavina Banduah (Mrs.)

Executive Director

Edward Koroma (Mr.)

Senior Program Officer

Abdulai Taylor- Kamara (Mr.)

Finance & Admin. Assistant

MANAGEMENT

BANKERS

Rokel Commercial Bank (SL) Limited
Siaka Stevens Street
Freetown, Sierra Leone

AUDITORS

B & C Services Consulting
Chartered Accountants
Freetown, Sierra Leone

REPORT OF THE DIRECTORS

Directors' responsibility statement

The directors have pleasure in submitting to members their report together with the audited financial statements of the company for the year ended 30th June 2014.

The directors are responsible for the preparation and presentation of the financial statements, comprising the Statement of Financial Position at 30th June 2014, and the Statement of income and expenditure, and Cash Flow Statement for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, as described in page 10 to 16 of this report.

The directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of these financial statements that are free from material misstatement, whether due to fraud or errors; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The directors have made an assessment of the organisation's ability to continue as a going concern and have no reason to believe it will not be a going concern in the year ahead.

Going concern

The financial statements have been prepared on the going concern basis of accounting, which assumes that the organisation will and can continue to exist as a going concern. Assets and liabilities are therefore included at values in the organisation's Statement of Financial Position which assume that the assets will be turned to account in the normal course of the organisation's auditors for at least the values contained in the financial statement and the cash realized will be sufficient to settle the organisation's outstanding liabilities.

Directors

The following directors have served during the year:
Financial Statements

Emile Carr (Mr.)	Chairman
Victor E. A. Kabia (Dr.)	Member
Imam Abubakarr Kamara (Sheik	Member
Christian R.B. Kweku Hagan (Rev.)	Member
Cassandra Garber (Mrs	Member
Donald A. Bash- Taqi (Dr.)	Member

Results for the year

The results for the year are shown in the attached financial statements.

Property Plant and equipment

Details of the Organisation's property and equipment are shown in note 8 of these financial statements.

Transparency International Sierra Leone
Financial Statements for the Year ended 30th June 2014

Auditors

The auditors B & C Services Consulting have indicated their willingness to continue in office.

Approval of the financial statements

The board of directors approved the financial statements on 2015

Director

Director

**Independent Auditor's Report to the
Board of Directors Transparency International Sierra Leone**

We have audited the financial statements of Transparency International Sierra Leone, which comprise the statement of financial position at 30th June 2014, and the income statement and statement of Cash Flow for the year ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes as set out on pages 7 to 16.

Directors' responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Composite Financial Reporting Standards (CS1) issued by the Council of Accounting Auditing Corporate and Institutional Governance (CSAAG) Sierra Leone and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Our audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the boards preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control. Our audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of The Transparency International Sierra Leone as of 30th June 2014 and the results of its operations and cash flows for the year then ended in accordance with the Composite Financial Reporting Standards (CS1) issued by the Council of Accounting Auditing Corporate and Institutional Governance (CSAAG) Sierra Leone and have been properly prepared in accordance with the accounting policies and other explanatory notes, as set out on pages 7 to 16

Freetown

Chartered Accountants

Date:

Transparency International Sierra Leone
Financial Statements for the Year ended 30th June 2014

Income statement

For the Year Ended 30th June 2014

<i>In thousands of Leones</i>	Notes	Jun-14	Jun-13
Income	2	978,202	2,047,437
Project Costs	3	(646,327)	(991,856)
Administrative expenses	4	(278,496)	(326,521)
Result from Operating activities		53,379	729,060
Results for the year		53,379	729,060

The notes on pages 10 to 16 form part of these financial statements

Transparency International Sierra Leone
Financial Statements for the Year ended 30th June 2014

Statement of Financial Position

for the year ended 30th June 2014	Note	Jun-14	Jun-13
<i>In thousands of Leones</i>			
Non-current Assets			
Property, plant and equipment	8	78,035	63,601
Total Non-current asset		78,035	63,601
Current Asset			
Receivables	6	526,075	526,075
Cash and Bank balance	5	320,506	1,896,508
Total Current assets		846,581	2,422,583
Total Assets		924,616	2,486,184
Current Liabilities			
Trade and other payables	7	7,500	11,075
Total Current Liabilities		7,500	11,075
Reserves			
Accumulated fund	13	917,116	2,475,109
Total accumulated fund		917,116	2,475,109
Total Reserves and Liabilities		924,616	2,486,184

These Financial Statements were approved by:

.....

.....

On.....2015

The notes on pages 10 to 16 form part of these financial statements

Statement of Cash Flows

for the year ended 30 June 2014

<i>In thousands of Leones</i>	Notes	Jun-14	June 2013
Net Cash flows from operating activities			
Changes in:			
Results for the year before tax		53,379	729,060
Depreciation	8	18,868	14,254
Receivables	6	-	(156,762)
Trade and other payables	7	(3,575)	575
Increase/ decrease in accumulated fund	13	(1,611,372)	-
Cash used in operating activities		(1,542,700)	587,127
-Prior year adjustment			(15,192)
Net cash used in operating activities		(1,542,700)	571,935
Cash flows from investing activities			
Acquisition of property, plant and equipment	14	(33,302)	(5,059)
Net cash used in investing activities		-	(5,059)
Net increase/(decrease) in cash and cash equivalents		(1,576,002)	566,876
Cash and cash equivalents at 1 July		1,896,508	1,329,632
Cash and cash equivalents at 30 June		320,506	1,896,508

NOTES ON THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

1.1 BASIS OF PRESENTATION

(a) Basis of presentation of the financial statement

The financial statements have been prepared on cash basis, unless stated otherwise. The cash flows statement is prepared using the indirect method. The financial statements are prepared on an cash basis..

(b) Statement of compliance

The financial statements have been prepared in accordance with the Composite Financial Reporting Standards (CS1) issued by the Council of Accounting Auditing Corporate and Institutional Governance (CSAAG) Sierra Leone. The Standard is consistent wither, International Financial Reporting Standards (IFRSs) and interpretations issued by the Standard Interpretation Committee, the accounting provisions of the Companies Act, Act no 5 of the Laws of Sierra Leone, and other relevant legislation. The concept of the “true and fair view” is regarded as of paramount importance. Any material departures from these Standards are clearly explained in the financial statements.

(c) Fundamental and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the organisation’s operates (the functional currency). The financial statements are presented in Leones, which is the organisation’s functional and presentation currency.

a) Income

Income is recognised when the cash is received and accounted for on a receipt basis. Income includes receipt from international partners for project implementation

b) Expenses

Expenses are accounted for on cash basis of accounting except otherwise stated.

(c) Property, plant and equipment (operating assets)

(i) Recognition and measurement

Operating assets are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the assets. The cost of self constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for its intended use, and the cost of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

NOTES ON THE FINANCIAL STATEMENTS

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the organisation's and its cost can be measured reliably. The cost of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leasehold assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

	Rates
Furniture and fittings	10%
Computer & office equipment	10%
Plant & machinery	12%
Motor Vehicles	10%

Assets residual value and useful lives are reviewed and adjusted, if appropriate at each balance sheet date.

(iv) Disposals

Gains or losses on the disposal or scrapping of property, plant and equipment are determined as the difference between the sales price less the cost of dismantling selling and re-assembly of the assets and the carrying amount. Any gains or losses are recognised in the income statement as other operating income or other expenses respectively.

i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank.

j) Administrative expenses

Administrative expenses comprise expenses relating to administrative staff and management, including office expenses, salaries and other expenses.

NOTES ON THE FINANCIAL STATEMENTS

1.2 FOREIGN CURRENCY

The financial statements are presented in Leones which is the organisation's functional and presentation currency.

Transactions in foreign currencies are translated to the functional currency of the Organisation at exchange rates at the dates of the transactions.

Exchange rates used

1 Euro = Le 5,450

1 US\$ = Le 4,570

2. FUNDS FROM DONORS

This represents income received from overseas and local donors to undertake projects

Income

<i>In thousands of Leones</i>	Jun-14	Jun-13
Transparency International Secretariat-Women	127,726	-
Transparency International Secretariat-ICT	87,200	-
Transparency International Secretariat-NIS	27,250	81,525
Transparency International Secretariat-Fund raising	27,250	-
National Endowment for Democracy	24,153	148,565
Fund for Global Human Rights	107,500	108,750
Newfield Foundation	426,300	1,035,300
MOFED/World Bank	150,823	-
Open Society Initiative for W Africa	-	395,875
ENCISS	-	201,422
UNODC	-	21,500
TI- HLI	-	54,500
	<hr/> 978,202 <hr/>	<hr/> 2,047,437 <hr/>

3. Project Costs

<i>In thousands of Leones</i>	Jun-14	Jun-13
Public Education and Awareness Raising	45,463	73,533
Trainings	192,767	188,510
Research & Surveys	36,350	35,545
Fiscal Sponsors & Grant making	268,613	290,591
Website / Portal Development	14,400	13,773
Assessment & Evaluation	13,867	21,079
Monitoring	25,340	127,266
Development of IEC Materials	18,000	27,458
Consultancy costs	31,527	66,946
Travelling	-	147,135
	646,327	991,856

4. Administrative expenses

In thousands of Leones

	Jun-14	Jun-13
Staff Costs	175,320	216,584
Rent & Rates	8,000	3,000
Stationery & Office Supplies	12,300	18,052
Electricity Charges	3,000	0
Fuel & Lubricants	9,872	14,288
Telephone, Fax & Internet	6,000	13,257
Advisory Board Expenses	2,000	10,998
Repairs & Maintenance	3,000	10,280
Local Travelling	16,125	0
Bank charges	4,410	6,632
Other expenses	19,600	19,176
Depreciation	18,868	14,254
	278,496	326,521

5. Cash and cash equivalents

	Jun-14	Jun-13
Bank	250,735	1,896,508
	320,506	1,896,508

6. Trade and other Receivables

	June 2014	June 2013
Receivables	526,075	526,075
	526,075	526,075

7. Trade and other Payables

	Jun-14	Jun-13
<i>In thousands of Leones</i>		
Accrued Audit fees	<u>7,500</u>	11,075
Total trade and other payables	<u><u>7,500</u></u>	<u>11,075</u>

8. FIXED ASSETS & DEPRECIATION

Fixed assets acquired by Transparency International are capitalized and depreciated over their useful economic lives on a straight line basis. The following rates of depreciation have been adopted:

Furniture and fittings	10%
Computer & office equipment	10%
Plant & machinery	12%
Motor Vehicles	10%

9. Property, Plant and Equipment

<i>In thousands of Leones</i>	Furniture & Fittings	Computers & Office Equipment	Plant & Machinery	Motor Vehicles	Total
Assets					
Balance at 1 July 2012	33,395	85,694	19,380	52,950	191,419
Additions during the period	-	5,095	-	-	5,095
Balance at 31 June 2013	33,395	90,789	19,380	52,950	196,514
Balance at 1 July 2013	33,395	90,789	19,380	52,950	196,514
Additions during the period	-	7,502	-	25,800	33,302
Balance at 31 June 2014	33,395	98,291	19,380	78,750	229,816
Accumulated depreciation					
Balance at 1 July 2012	15,235	33,439	17,035	52,950	118,659
Charge for the year	3,340	8,569	2,345	-	14,254
Balance at 30 June 2013	18,575	42,008	19,380	52,950	132,913
Balance at 1 July 2013	18,575	42,008	19,380	52,950	132,913
Charge for the year	3,339	9,079	-	6,450	18,868
Balance at 30 June 2014	21,914	51,087	19,380	59,400	151,781
Net Book Value					
30 th June 2013	14,820	48,781	-	-	63,601
30 th June 2014	11,481	47,204	-	19,350	78,035

10. CAPITAL COMMITMENTS

There were no capital commitments as at 30th June 2014(2013 nil)

11. CONTINGENT LIABILITIES

There were no contingent liabilities as at 30th June 2014. (2013 nil)

12. RELATED PARTY TRANSACTIONS AND INTEREST OF DIRECTORS

There were no transactions with directors or director related entities during the year.

13. EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

Events subsequent to the balance sheet date are reflected only to the extent that they are material. There were no such events as at the date these financial statements were signed.

14. Accumulated Funds

	June 2014	June 2013
Balance as at 1 July	2,475,109	1,746,049
Adjustment	(1,611,372)	-
Results for the year	53,379	729,060
Balance as at 30 June	917,116	2,475,109